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Proposed Attorneys for the Debtor

**IN THE UNITED STATES BANKRUPTCY COURT
FOR THE DISTRICT OF UTAH, CENTRAL DIVISION**

In re:	:	Bankruptcy Case No. 18-23404
FOOD FOR HEALTH INTERNATIONAL,		
LLC, a Utah limited liability company,	:	Chapter 7 (converted from Chapter
Debtor.		11 on March 8, 2019)
	:	Honorable: R. Kimball Mosier

**FOURTH INTERIM APPLICATION OF McKAY, BURTON & THURMAN, COUNSEL
FOR THE DEBTOR, FOR THE ALLOWANCE AND PAYMENT OF COMPENSATION
AND REIMBURSEMENT OF EXPENSES**

McKay, Burton & Thurman ("Applicant"), as counsel to the Debtor, Food For Health International, LLC ("FFH"), debtor and debtor in possession, presents its fourth interim application for the allowance and payment of compensation and reimbursement of expenses (the "Application"). By this Application, Applicant seeks approval and allowance of compensation in the amount of \$39,738.79 for the period commencing September 1, 2018 through and including March 7, 2019. Copies of invoices showing the individual providing the service, work

performed, and amount billed during this period are attached hereto as Exhibit “A.” In support of this Application, Applicant states as follows:

1. Case Background

On May 11, 2018, FFH filed a voluntary petition for relief under Chapter 11 of the Bankruptcy Code. Formed in 2016, FFH is a contract manufacturer of raw ingredients and finished goods for the nutrient and supplement industry. The Company contracts with two vendors who maintain proprietary technologies to produce premium whole-food powders. FFH also has a secondary business of providing third party logistics to a wide array of customers. The Debtor continued to operate its business and manage its properties as debtor-in-possession pursuant to sections 1107(a) and 1108 of the Bankruptcy Code through December of 2018 at which time it ceased business operations and sold its assets pursuant to a Bankruptcy Court approved sale.

In 2013 and 2014 the Company focused on survival food products. In 2015 the company refocused its business toward the vitamin and health supplement markets. The change in focus resulted in a significant reduction in revenue of \$40.2 million in 2015 to \$24.1 million in 2016 and \$12.4 million in 2017. The Company has reported losses since 2015. The reduction in revenue adversely impacted margins, and consequently, losses significantly increased. Also contributing the additional losses in 2016 and 2017 was the decision to expand its service offerings to include the third-party logistics.

During 2016 the Company began looking for a capital partner. The search resulted in the formation of Food for Health Acquisitions (“Acquisitions”). On or about December 29, 2016 Acquisitions closed on the sale of the business and installed a new management team. From the close of the transaction through the spring of 2017 new management uncovered a significant cash burn rate not previously disclosed. Additional funding of more than \$2,000,000 and the

implementation of cost cutting moves and liquidity tactics failed to sufficiently improve the operations of the business. In addition, the Company suffered from a significantly overleveraged balance sheet from prior rounds of funding from private investors. The demands of the investors and other creditors provided no choice but to seek protection under the Bankruptcy Code.

2. Retention of McKay, Burton & Thurman

Applicant filed the Motion to Employ McKay, Burton & Thurman, P.C. as General Bankruptcy Counsel on May 11, 2018. The Order Granting Trustee's Motion to Employ McKay, Burton & Thurman as Counsel was entered on June 25, 2018. Applicant agreed to receive compensation based on customary hourly rates charged to its clients. The following constitutes the hourly rates charged to the Debtor for each professional performing service on behalf of the Debtor during the time period covered by this Application.

Professional	Rate
Jeremy C. Sink	\$275.00 (2018) \$285 (2019)
Gregory J. Adams	\$295.00 (2018 and 2019)
Mark Rose	\$205.00 (2018) \$225 (2019)

Project Narrative Description.

a. Asset Analysis and Recovery.

This category involves services rendered in determining the extent of the assets of the estate which could be sold or used as collateral during the administration period.

Initial	Professional	Rate	Hours	Value
JS	Jeremy C. Sink	\$275	6.5	1787.50

		Totals	6.50	\$1,787.50

b. Asset Disposition.

This category involves services rendered in researching and negotiating a proposed asset purchase agreement then drafting and revising a proposed agreement for the same.

Initial	Professional	Rate	Hours	Value
JS	Jeremy C. Sink	\$275	62.5	\$17187.50
JS	Jeremy C. Sink	\$285	3.3	\$883.50
GJA	Greg J. Adams	\$295	5.6	\$1,652.00
MR	Mark Rose	\$205	.2	\$41.00
		Totals	71.6	\$20,088.50

c. Business Operations.

This category includes services provided regarding budget and ongoing operation issues. It includes conferring with counsel for vendors and service providers regarding such operations and consulting with FFH regarding the same.

Initial	Professional	Rate	Hours	Value
JS	Jeremy C. Sink	\$275	10.7	\$2,942.50
GJA	Greg J. Adams	\$295.00	1.9	\$560.50
		TOTAL	12.6	\$3,503.00

d. Case Administration.

This category involves services rendered in assisting the Debtor in complying with its obligations as debtor-in-possession. Services included advising the Debtor with respect to its obligations and rights under Title 11, interfacing with interested parties, such as the United States Trustee, creditors and counsel, assisting in the preparation and filing of statements and schedule and amendments thereto, preparing first day motions and applications. It also includes services related to advising and assisting the Debtor in operating its business as a going concern in Chapter 11.

Initial	Professional	Rate	Hours	Value
JS	Jeremy C. Sink	\$275	10.3	\$2,832.50
JS	Jeremy C. Sink	\$285	2.0	\$570.00
GJA	Greg Adams	\$295	4.4	\$1,298.00
MR	Mark C. Rose	\$205	0.1	\$20.50
		TOTAL	16.8	\$4,721.00

e. Claims Administration and Objections.

This category Services relating to reviewing claims and analyzing objections.

Initial	Professional	Rate	Hours	Value
JS	Jeremy C. Sink	\$275	1.9	522.50
		Totals	1.9	\$522.50

f. Employee Benefits / Pensions.

This category includes services rendered analyzing employee benefits and pensions and incorporating them into the motion for approval and payment of same and attending the same.

Initial	Professional	Rate	Hours	Value
		Totals	0	\$0

g. Fee / Employment Applications.

This category includes services rendered to assist professionals in preparing and filing motions for approval as professionals for the estate and receiving compensation for the same.

Initial	Professional	Rate	Hours	Value
JS	Jeremy C. Sink	\$275	7.0	1,925.00
JS	Jeremy C. Sink	\$285	.3	85.50
Mark	Mark Rose	\$205.00	0.2	\$41.00
GJA	Greg Adams	\$295	6.8	2,006.00
	TOTAL		14.3	\$4,057.50

h. Financing.

This category involves working with the Debtor and proposed lender to negotiate and secure debtor in possession financing. It also includes cash collateral analysis and the motion to approve same and related issues.

Initial	Professional	Rate	Hours	Value

GJA	Gregory J. Adams	\$295	2.5	\$737.5
JS	Jeremy C. Sink	\$275	0.5	137.50
		Totals	3.0	\$875.00

i. Litigation

Initial	Professional	Rate	Hours	Value
GJA	Gregory J. Adams	\$295	1.8	\$531.00
		Totals	1.8	\$531.00

j. Relief From Stay Proceedings

Initial	Professional	Rate	Hours	Value
JS	Jeremy C. Sink	\$275.00	1.7	467.50
		Totals	1.7	\$467.50

3. Costs & Disbursements.

Applicant did not charge the Debtor for internal costs such as copy charges, facsimile, telephone charges and electronic research for this period. Costs charged to the Debtor represent the filing fee for the case and payment to third party providers as follows:

Disbursement Category	Amount
Court Fees	\$31.00

Federal Express	\$37.18
Filing Fees	\$360.00
Photocopies	\$2,644.80
Postage	\$64.81
Service of Process	\$47.50
TOTAL	\$3,185.29

4. Summary.

The total compensation for services rendered by Application to the Debtor is set forth below:

Professional	Rate
Jeremy C. Sink	\$29,341.50
Gregory J. Adams	\$7,109.50
Mark Rose	\$102.50
Costs & Disbursements	\$3,185.29

5. Certification.

This Application has been reviewed and approved by the Debtor.

WHEREFORE, Applicant requests an award of \$39,738.79 for compensation of professional services and costs rendered, to be authorized as an administrative expense and that the Debtor

be authorized and directed to pay such amount to Applicant.

DATED this 28th day of March, 2019.

McKay, Burton & Thurman, P.C.

By: /s/ Jeremy C. Sink

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EXHIBIT A